

STATE OF NEBRASKA

DEPARTMENT OF INSURANCE

William H. McCartney

Director



August 17, 1993

CB-82

E. Benjamin Nelson

Governor

BULLETIN

SUBJECT: PRE-LICENSURE EDUCATION, CONTINUING EDUCATION, AND
CHANGES IN FEES

Legislative Bill 583 was enacted by the Ninety-Third Legislature, First Session, 1993. This notice explains the major changes impacting insurance producers, including agents, brokers, consultants, and surplus lines agents. LB 583 was effective May 25, 1993. The following fees will change beginning on September 1, 1993.

1. FEE CHANGES

A. Fees for individual agents' and consultants' licenses have been increased as follows:

	<u>Two-Year Fees</u>	
	<u>Resident</u>	<u>Nonresident</u>
Agent	\$40.00	\$80.00
Consultant	\$75.00	\$75.00

All other individual fees remain the same.

B. Fees for agency and corporate or partnership consultants have been increased as follows:

	<u>One-Year Fees</u>	
	<u>Resident</u>	<u>Nonresident</u>
Agency	\$50.00	\$50.00
Consultant	\$75.00	\$75.00
(Corporate or Partnership)		

C. Fees for company appointment, continuing education, and pre-licensing education have been set as follows:

Company agent's appointment	\$ 8.00
Cancellation of appointment	\$ 3.00

NEW FEES:

Continuing education: completion certification	\$ 5.00
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Pre-licensure education: completion certification	\$10.00
course approval	\$50.00
amend course	\$10.00

2. PRE-LICENSURE EDUCATION

Effective January 1, 1994, persons must complete pre-licensing education requirements prior to application for an insurance agent's license as follows:

Property and Casualty	40 hours (34 - property and casualty 6 - ethics)
Life and Annuities	30 hours (24 - life and annuities, 6 - ethics)
Sickness, Accident and Health	30 hours (24 - accident and health, which includes 6 hours in Medicare Supplement and Long- Term Care, AND 6 - ethics)
Combined Life and Annuities, and Sickness, Accident and Health	40 hours (17 - life and annuities, 17 - sickness, accident and health, which includes 6 hours of Medicare Supplement and Long-Term Care, AND 6 - ethics)

Title	12 hours (6 - Title, 6 - ethics)
Assessment Association	12 hours (6 - assessment, 6 - ethics)
Crop	6 hours (3 - crop-hail, 3 - ethics)

The pre-licensure education requirements do not apply to:

- chartered property and casualty underwriter
- chartered life underwriter
- registered health underwriter
- certified employee benefit specialist
- certified financial planner
- accredited insurance advisor
- chartered financial consultant
- master's degree in insurance

Persons completing the pre-licensure education requirements have up to one year from the date of completion to take the written agent's examination.

It is anticipated that forms and instructions for filing pre-licensure education courses will be available from the Department September 15, 1993.

3. CONTINUING EDUCATION - ETHICS

After January 1, 1994 insurance agents and brokers must complete six hours of continuing education on the topic of insurance industry ethics.

In the licensee's next two-year renewal notice, the Department will advise the licensee when his/her insurance-related ethics requirement begins and when the requirements will be due. The six hours of insurance-related ethics is in addition to the current continuing education requirements.

Example:

Property & Casualty licensee must complete 24 hours of continuing education credit hours, plus six hours of insurance-related ethics, a total of 30 hours in each two-year period.

Life and Sickness, Accident and Health licensee must complete 12 hours of continuing education credit hours, plus six hours of insurance-related ethics, a total of 18 hours in each two-year period.

No licensee will be required to complete more than 30 cumulative hours in any two-year period.

All agents and brokers must complete six hours of ethics education. Those holding a crop only, or only fidelity and surety insurance license must complete three hours of ethics education.

4. FIVE-YEAR MINIMUM EDUCATION REQUIREMENTS

The five-year minimum education requirement for life/health was repealed effective May 25, 1993.

5. LICENSURE EXPIRATION

Effective May 25, 1993 insurance agents' licenses shall expire on the last day of the month in the first year after issuance in which the agent's age is divisible by two, instead of on the date of birth.

WILLIAM H. MCCARTNEY
Director of Insurance